

# Republic of the Philippines Supreme Court Manila

### SECOND DIVISION

VIVENCIO DALIT, Petitioner, G.R. No. 202799

Present:

- versus -

SPOUSES ROLANDO E. BALAGTAS, SR. and CARMELITA G. BALAGTAS, ROLANDO G. BALAGTAS, JR., CLARINA G. BALAGTAS, CARLOTA G. BALAGTAS, CARMELA G. BALAGTAS, SOFRONIO SARIENTE<sup>•</sup> and METROPOLITAN BANK AND TRUST COMPANY, Respondents. CARPIO, J., Chairperson, PERLAS-BERNABE, CAGUIOA, J. REYES, JR., and LAZARO-JAVIER, JJ.

Promulgated:

27 MAR 2019

#### DECISION

#### CAGUIOA, J.:

#### The Case

This is a Petition for Review on *Certiorari*<sup>1</sup> (Petition) filed under Rule 45 of the Rules of Court against the Decision<sup>2</sup> dated October 26, 2011 (assailed Decision) and Resolution<sup>3</sup> dated June 27, 2012 (assailed Resolution) in CA-G.R. SP No. 104836 rendered by the Court of Appeals (CA), Special Thirteenth Division and Former Special Thirteenth Division, respectively.

The assailed Decision and Resolution stem from a petition for review questioning the Decision<sup>4</sup> dated June 14, 2007 and Resolution<sup>5</sup> dated April 10, 2008 issued by the Department of Agrarian Reform Adjudication Board (DARAB) in DARAB Case No. 14872 (Reg. Case No. 08505'SNE'05)

- <sup>3</sup> Id. at 112-113.
- <sup>4</sup> Id. at 73-78.

SUPREME COURT OF THE PHILIPPINES

Also spelled as Sariante in some parts of the records.

<sup>&</sup>lt;sup>1</sup> *Rollo*, pp. 38 to 63-A, excluding Annexes.

<sup>&</sup>lt;sup>2</sup> Id. at 97-111. Penned by Associate Justice Priscilla J. Baltazar-Padilla, with Associate Justices Fernanda Lampas Peralta and Edwin D. Sorongon concurring.

<sup>&</sup>lt;sup>5</sup> Id. at 84-85.

which, in turn, reversed the June 7, 2006 Decision<sup>6</sup> of the Provincial Agrarian Reform Adjudicator (PARAD) of South Nueva Ecija, Cabanatuan City.

The assailed Decision and Resolution declare that Vivencio Dalit (Dalit) is not a *de jure* tenant of the land in dispute — a 123,744-square meter lot in Bantug, Kalikid<sup>7</sup> Sur, Cabanatuan City, *previously* covered by Transfer Certificate of Title (TCT) No. T-82410<sup>8</sup> (Disputed Lot) issued in the names of Spouses Rolando E. Balagtas, Sr. (Rolando, Sr.) and Carmelita G. Balagtas, together with their children Rolando G. Balagtas, Jr., Clarina G. Balagtas, Carlota G. Balagtas and Carmela G. Balagtas (collectively, the Balagtas family).<sup>9</sup>

#### The Facts

On May 31, 2005, Dalit filed before the Office of the PARAD a **petition for maintenance of possession, with prayer for issuance of** *status quo* order and/or injunction<sup>10</sup> (PARAD petition) against the Balagtas family and respondents Sofronio Sariente and Metropolitan Bank and Trust Company, Inc. (Metrobank).

Therein, Dalit averred that sometime in 1997, Rolando, Sr., with the consent of the rest of the Balagtas family, instituted him as tenant farmer of the Disputed Lot, and that he had been tilling it since then. Dalit further alleged that he had been remitting a portion of the proceeds of the harvest to Balagtas, Sr. as part of the tenurial arrangement.<sup>11</sup>

To support his allegations, Dalit cited the *Pagpapatunay*<sup>12</sup> issued by the Barangay Captain and President of the Samahang Nayon of Barangay Kalikid Sur, and the *Sinumpaang Salaysay*<sup>13</sup> executed by the farmers<sup>14</sup> of the adjoining lots, confirming the existence of the tenurial arrangement.

Dalit alleged that the Balagtas family later mortgaged the Disputed Lot in favor of Metrobank without his consent, in order to secure an  $\mathbb{P}8,000,000.00$  loan.<sup>15</sup> The Balagtas family defaulted, leading to the foreclosure of the mortgage constituted over the Disputed Lot and the consolidation of title in Metrobank's name.<sup>16</sup> Subsequently, the Balagtas family directed Dalit to vacate the Disputed Lot.<sup>17</sup>

<sup>&</sup>lt;sup>6</sup> Id. at 64-66. Penned by Adjudicator/Agrarian Judge Walter R. Carantes.

<sup>&</sup>lt;sup>7</sup> Also spelled as "Calikid" in some parts of the records.

<sup>&</sup>lt;sup>8</sup> *Rollo*, pp. 119-120.

<sup>&</sup>lt;sup>9</sup> Id. at 98.

<sup>&</sup>lt;sup>10</sup> Id. at 114-118.

<sup>&</sup>lt;sup>11</sup> Id. at 98, 115.

<sup>&</sup>lt;sup>12</sup> Id. at 121.

<sup>&</sup>lt;sup>13</sup> Id. at 122-124.

<sup>&</sup>lt;sup>14</sup> Namely Aquino Punzal, Jr., Cesar Borja and Patricio Torres; see *rollo*, pp. 98-99, 115 and 122-124.

<sup>&</sup>lt;sup>15</sup> See *rollo*, pp. 99, 151.

<sup>&</sup>lt;sup>16</sup> Id. at 99, 116.

<sup>&</sup>lt;sup>17</sup> Id. at 99.

#### Decision

...

In his Answer *Ad Cautelam*,<sup>18</sup> Rolando, Sr. denied that Dalit had been instituted as tenant farmer of the Disputed Lot, and claimed that he was merely employed as bulldozer and street roller operator during the construction of a memorial park constituted thereon.<sup>19</sup> Further, Rolando, Sr. assailed the PARAD's jurisdiction, claiming that the Disputed Lot had already been classified as residential property, as stated in Tax Declaration No. 02927<sup>20</sup> issued in favor of the Balagtas family.<sup>21</sup>

For its part, Metrobank insisted on its right to take possession of the Disputed Lot as the new registered owner, and echoed Rolando, Sr.'s position anent PARAD's lack of jurisdiction.<sup>22</sup>

In his Reply, Dalit assailed the veracity of Tax Declaration No. 02927 by presenting a Certification<sup>23</sup> dated May 31, 2005 issued by Lourdes DL. Calamanan, Records Officer III of the Office of the City Assessor of Cabanatuan City (OCA-Cabanatuan). The Certification states that Tax Declaration No. 02927 does not appear in the records of the OCA-Cabanatuan, and is "null and void" for having been issued under a forged signature.<sup>24</sup> To bolster his claim, Dalit presented a certified true copy of the *actual* tax declaration covering the Disputed Lot which indicates that it is still classified as rice land.<sup>25</sup>

On June 7, 2006 the PARAD, through Regional Agrarian Reform Adjudicator Walter R. Carantes, issued a Decision declaring Dalit as lawful tenant of the Disputed Lot, thus:

**WHEREFORE**, premises considered, judgment is hereby rendered maintaining [Dalit] in his peaceful possession and cultivation of the premises and declaring further his status as a tenant thereon.

#### SO ORDERED.26

Notably, only Metrobank filed an appeal with the DARAB Central Office.<sup>27</sup> The appeal was granted by the latter in its Decision dated June 14, 2007 reversing the findings of the PARAD, thus:

WHEREFORE, premises considered, the assailed decision is hereby REVERSED and SET ASIDE and [a] new judgment is rendered declaring [Dalit] not a *de jure* tenant of the [Disputed Lot] and ordering his ejectment thereon (sic).

**SO ORDERED**.<sup>28</sup> (Additional emphasis supplied)

<sup>&</sup>lt;sup>18</sup> Id. at 130-134.

<sup>&</sup>lt;sup>19</sup> Id. at 99, 131-132.

<sup>&</sup>lt;sup>20</sup> Id. at 128.

<sup>&</sup>lt;sup>21</sup> Id. at 99, 132.

<sup>&</sup>lt;sup>22</sup> Id. at 100; see Answer, id. at 136 to 138-A.

<sup>&</sup>lt;sup>23</sup> Id. at 129.

<sup>&</sup>lt;sup>24</sup> Id. at 100, 129.

<sup>&</sup>lt;sup>25</sup> Id. at 100, 126-127.

<sup>&</sup>lt;sup>26</sup> Id. at 68.

<sup>&</sup>lt;sup>27</sup> Id. at 101.

<sup>&</sup>lt;sup>28</sup> Id. at 78.

Dalit filed a motion for reconsideration,<sup>29</sup> which was denied by the DARAB Central Office in its Resolution dated April 10, 2008.<sup>30</sup>

### CA Proceedings

Aggrieved, Dalit filed a petition for review before the CA (CA Petition) *via* Rule 43.<sup>31</sup>

Dalit argued that Metrobank's appeal was defective since it was not supported by a board resolution showing that its counsel was duly authorized to file the appeal on its behalf. While Metrobank later attempted to correct this error by presenting the necessary board resolution after Dalit had filed his Motion for Dismissal of the Appeal, he argues that such belated attempt was inconsequential as it was done after the lapse of Metrobank's period to appeal. Proceeding therefrom, Dalit asserted that the PARAD decision had become final and executory, and that the DARAB Central Office erred in entertaining Metrobank's defective appeal.<sup>32</sup>

Dalit further maintained that the Balagtas family should be deemed to have admitted his status as tenant, as they failed to deny that they received a portion of the harvest proceeds from him.<sup>33</sup>

On October 26, 2011, the CA issued the assailed Decision, the dispositive portion of which reads:

IN VIEW OF THE FOREGOING, the [CA] Petition is **DENIED** and the assailed Decision and Resolution [are] **AFFIRMED**.

#### SO ORDERED.<sup>34</sup>

On the procedural aspect, the CA found that the relaxation of DARAB's rules of procedure was proper considering that Metrobank had been able to rectify its error by submitting a Special Power of Attorney executed by its Assistant Vice-President Rufo C. Venus, Jr. specifically authorizing its counsel Atty. Edgardo G. Villarin to file, among others, pleadings, motions, petitions, documents and deeds necessary to protect the interest of Metrobank in the instant case.<sup>35</sup>

On the substantive aspect, the CA held that Dalit failed to adduce substantial evidence to show the establishment of a tenancy relationship. The CA noted that Dalit worked on the Disputed Lot as a hired laborer of the Balagtas family, tasked to operate the latter's bulldozer and street roller. In this connection, the CA held that the *Pagpapatunay* and *Sinumpaang* 

<sup>&</sup>lt;sup>29</sup> Id. at 79-83.

<sup>&</sup>lt;sup>30</sup> Id. at 84-85, 101.

<sup>&</sup>lt;sup>31</sup> Id. at 101.

<sup>&</sup>lt;sup>32</sup> Id. at 102-103.

<sup>&</sup>lt;sup>33</sup> See id. at 105.

<sup>&</sup>lt;sup>34</sup> Id. at 110.

<sup>&</sup>lt;sup>35</sup> Id. at 103-104.

#### Decision

*Salaysay* presented by Dalit do not suffice to establish a tenancy relationship, for while these documents confirm that Dalit worked on the Disputed Lot, they do not prove that such work was in the nature of personal cultivation, or that the Balagtas family agreed to merely share in the harvest arising therefrom.<sup>36</sup> On this score, the CA held that working on another's landholding, without more, "does not raise a presumption of the existence of agricultural tenancy".<sup>37</sup>

Dalit filed a motion for reconsideration, which the CA denied in the assailed Resolution<sup>38</sup> dated June 27, 2012.

Based on the records, Dalit received the assailed Resolution on July 11, 2012.<sup>39</sup>

On July 26, 2012, Dalit filed a motion for extension<sup>40</sup> seeking an additional period of thirty (30) days from July 26, 2012, or until August 24, 2012 to file his Petition. This motion was granted by the Court.<sup>41</sup>

Finally, Dalit filed the present Petition on the last day of the extension prayed for, impleading the Balagtas family and Metrobank as parties.

In addition to the issues he raised before the CA, Dalit now alleges that the CA erred when it effectively granted the Balagtas family relief through the assailed Decision and Resolution, considering that they did not file an appeal to question the PARAD's Decision.

In any case, Dalit further claims that supervening events have rendered moot respondents' claim over the Disputed Lot, particularly:

- 1. The issuance of a Notice of Coverage (NOC) dated March 31, 2008 placing the Disputed Lot within the coverage of the Comprehensive Agrarian Reform Program (CARP);<sup>42</sup>
- 2. The cancellation of Metrobank's TCT No. T-96104<sup>43</sup> and subsequent issuance of TCT No. 141677<sup>44</sup> in the name of the Republic of the Philippines (Republic) in its stead on September 19, 2011;<sup>45</sup>
- 3. The division and subsequent distribution of the Disputed Lot through the issuance of Certificates of Land Ownership Award (CLOAs) on October 20, 2011 in favor of several agrarian reform

<sup>38</sup> Id. at 112-113.

<sup>&</sup>lt;sup>36</sup> Id at 106-108.

<sup>&</sup>lt;sup>37</sup> Id. at 107.

<sup>&</sup>lt;sup>39</sup> Id. at 41, 252.

<sup>&</sup>lt;sup>40</sup> Id. at 3-6.

<sup>&</sup>lt;sup>41</sup> Through the Court's Resolution dated September 12, 2012, id. at 183-184.

<sup>&</sup>lt;sup>42</sup> See *rollo*, p. 587.

<sup>&</sup>lt;sup>43</sup> Id. at 139.

<sup>44</sup> Id. at 154-157.

<sup>&</sup>lt;sup>45</sup> Id. at 587, 605.

beneficiaries (ARBs) chosen by the Department of Agrarian Reform (DAR), one of whom is Dalit;<sup>46</sup> and

4. The finality of the Order<sup>47</sup> of the DAR Regional Office dated August 8, 2012 denying the Balagtas family's Petition for the Lifting of the Coverage of the Land Under the Agrarian Reform Program, as evidenced by the Certificate of Finality<sup>48</sup> dated December 6, 2012, issued by the DAR Regional Director.

In this regard, Dalit insists that a re-evaluation of the assailed Decision and Resolution is in order.<sup>49</sup>

Metrobank filed its Comment<sup>50</sup> on November 14, 2012, to which Dalit filed his Reply.<sup>51</sup>

On March 13, 2013, the Balagtas family filed a Manifestation of Compliance,<sup>52</sup> stating that they adopt the Comment and other pleadings submitted by Metrobank in the present case.

On June 3, 2013, the Court directed the parties to file their respective memoranda.<sup>53</sup>

On August 8, 2013, the Balagtas family filed a Second Manifestation<sup>54</sup> stating its intention to adopt all pleadings to be filed by Metrobank.

Subsequently, Metrobank and Dalit filed their memoranda on August 28, 2013<sup>55</sup> and February 13, 2015,<sup>56</sup> respectively.

## The Issues

The Petition calls on the Court to resolve the following issues:

- 1. Whether the CA erred when it held that Dalit failed to establish his status as a *de jure* tenant of the Disputed Lot; and
- 2. Whether the supervening events cited by Dalit render respondents' claim to the Disputed Lot moot.

<sup>&</sup>lt;sup>46</sup> See id. at 158-181, 587 and 605.

<sup>&</sup>lt;sup>47</sup> Id. at 587-593. Issued by DAR Regional Director Teofilo Q. Inocencio.

<sup>&</sup>lt;sup>48</sup> ld. at 594.

<sup>&</sup>lt;sup>49</sup> See id. at 38-39.

<sup>&</sup>lt;sup>50</sup> Id. at 202-218.

<sup>&</sup>lt;sup>51</sup> Id. at 254-258.

<sup>&</sup>lt;sup>52</sup> Id. at 320-322.

<sup>53</sup> Id. at 393-396.

<sup>&</sup>lt;sup>54</sup> Id. at 426-428.

<sup>&</sup>lt;sup>55</sup> ld. at 430-450.

<sup>&</sup>lt;sup>56</sup> Id. at 517-533. Following the filing of an Explanation, Manifestation of Apology and Compliance to the Resolution of the Honorable Court dated February 12, 2015 setting forth the reasons for counsel's failure to file memorandum within the period set by the Court, see *rollo*, pp. 504-505.

#### The Court's Ruling

The Petition is meritorious.

# Dalit's right of possession arises from CLOA No. T-2165<sup>57</sup>.

The Comprehensive Agrarian Reform Law of 1988<sup>58</sup> (CARL) was enacted to facilitate "a more equitable distribution and ownership of land, with due regard to the rights of landowners to just compensation and to the ecological needs of the nation."<sup>59</sup>

In essence, the CARL implements the CARP of the Republic. While the CARL initially set a 10-year implementation period for the CARP following the statute's effectivity,<sup>60</sup> said period was later extended through the enactment of Republic Act No. 9700<sup>61</sup> which granted the DAR an additional period ending June 30, 2014 to complete the acquisition and distribution of all agricultural lands under the CARP.<sup>62</sup>

The CARP covers not only alienable and disposable lands of the public domain, but also those lands owned by the government in its private capacity and lands owned by private individuals, *provided* they are devoted to or suitable for agriculture.<sup>63</sup>

The fact that the Disputed Lot is agricultural in nature is clearly established by the evidence on record. To recall, Tax Declaration No. 02927, presented by the Balagtas family to show that the Disputed Lot had already been re-classified for residential use, was shown to have been forged through OCA-Cabanatuan's Certification dated May 31, 2005, which states:

This is to certify that [the] Tax Declaration issued in the name of ROLANDO L. BALAGTAS married to CARMELITA G. BALAGTAS, Rolando G. Balagtas, Jr., single and Clarina Balagtas of Kalikid [S]ur, Cabanatuan City dated November 15, 1996 with ARP no. 02927 should be considered NULL and VOID, because of its nature as being made under bad faith.

<sup>&</sup>lt;sup>57</sup> TCT No. T-2165 (CLOA No. 00924230), rollo, pp. 178-181.

<sup>&</sup>lt;sup>58</sup> Republic Act No. (RA) 6657, AN ACT INSTITUTING A COMPREHENSIVE AGRARIAN REFORM PROGRAM TO PROMOTE SOCIAL JUSTICE AND INDUSTRIALIZATION, PROVIDING THE MECHANISM FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES, June 10, 1988.

<sup>&</sup>lt;sup>59</sup> Id., Sec. 2.

<sup>&</sup>lt;sup>60</sup> Id., Sec. 7.

<sup>&</sup>lt;sup>61</sup> AN ACT STRENGTHENING THE COMPREHENSIVE AGRARIAN REFORM PROGRAM (CARP), EXTENDING THE ACQUISITION AND DISTRIBUTION OF ALL AGRICULTURAL LANDS, INSTITUTING NECESSARY REFORMS, AMENDING FOR THE PURPOSE CERTAIN PROVISIONS OF REPUBLIC ACT NO. 6657, OTHERWISE KNOWN AS THE COMPREHENSIVE AGRARIAN REFORM LAW OF 1988, AS AMENDED, AND APPROPRIATING FUNDS THEREFOR, August 7, 2009.

<sup>&</sup>lt;sup>62</sup> Id., Sec. 5, amending RA 6657, Sec. 7.

<sup>&</sup>lt;sup>63</sup> RA 6657, Sec. 4. See also *Heirs of Augusto Salas, Jr. v. Cabungcal, G.R. No.* 191545, March 29, 2017, 822 SCRA 1, 29-31 [Second Division, Per J. Leonen].

Our good office does not have any record as what (sic) is stated in the fake Tax Declaration with the forge (sic) signature of the Officer's name in the document.<sup>64</sup>

Notably, neither the Balagtas family nor Metrobank presented documentary evidence to refute the veracity of OCA-Cabanatuan's Certification. As correctly observed by DAR Regional Director Teofilo Q. Inocencio:

To revisit the provision of [CARL], thus, "the [CARL] shall cover, regardless of tenurial arrangement and commodity produced, all public and private agricultural lands  $x \ x \ x$ . More specifically[,] the following lands are covered by the [CARP]  $x \ x \ x$  all private lands devoted to or suitable for agriculture regardless of the agricultural products raised or that can be raised thereon."

Applying the foregoing dictum of the law in the instant case, while the protestants argued that the land is for [a] memorial project and x x x is residential in nature, no evidence was ever adduced to support such contention.

On the contrary, the findings of the MARO that the property is indeed agriculturally productive, not to mention that there are occupants/farmers found thereon, remained uncontroverted. As between the undisputed findings of the field office concerned and the bare allegations of the [Balagtas family], the former prevails. This is because the field offices concerned being the implementors of agrarian laws and thus possessed (sic) the necessary expertise in such field of endeavor, ergo, their findings should be accorded respect absent x x x any showing of fraud committed in the performance thereof.<sup>65</sup> (Emphasis supplied)

The Court has accorded great weight and respect to the factual findings of administrative bodies<sup>66</sup> in the absence of any showing of fraud, collusion, arbitrariness, illegality, imposition or mistake on the part of administrative officials, or a total lack of substantial evidence to support the same.<sup>67</sup> This principle finds emphatic application in this case, since the DAR's findings as to the classification of the Disputed Lot were no longer questioned by respondents, and thus, became final.

Under Executive Order No. 229,<sup>68</sup> DAR shall exercise "quasi-judicial powers to determine and adjudicate agrarian reform matters, and shall have exclusive original jurisdiction over all matters involving implementation of agrarian reform, except those falling under the exclusive original jurisdiction of the [Department of Environment and Natural Resources (DENR)] and the Department of Agriculture (DA)."<sup>69</sup> In such cases, "[a]ll

<sup>&</sup>lt;sup>64</sup> *Rollo*, p. 129.

<sup>&</sup>lt;sup>65</sup> Id. at 591.

<sup>&</sup>lt;sup>66</sup> See Family Planning Organization of the Philippines, Inc. v. National Labor Relations Commission, G.R. No. 75907, March 23, 1992, 207 SCRA 415, 420-421 [First Division, Per J. Medialdea].

 <sup>&</sup>lt;sup>67</sup> See Lacuesta v. Melencio-Herrera, 159 Phil. 133, 134 and 141-142 (1975) [First Division, J. Teehankee].
<sup>68</sup> PROVIDING THE MECHANISMS FOR THE IMPLEMENTATION OF THE COMPREHENSIVE AGRARIAN REFORM PROGRAM, July 22, 1987.

<sup>&</sup>lt;sup>69</sup> EO 229, Sec. 17; Department of Agrarian Reform v. Cuenca, 482 Phil. 208, 220 (2004) [Third Division, Per J. Panganiban].

doubts should be resolved in favor of the DAR, since the law has granted it special and original authority to hear and adjudicate agrarian matters."<sup>70</sup>

One of the modes by which DAR implements the distribution of agricultural lands under the CARP is through the issuance of a CLOA. A CLOA is a document evidencing ownership of the land granted or awarded to the qualified ARB, and contains the restrictions and conditions of such grant.<sup>71</sup> The issuance of CLOA No. T-2165 in Dalit's favor thus confirms his right to retain possession over the portion of the Disputed Lot identified thereunder, such possession being an attribute of ownership granted in his favor.

However, considering that Dalit is only one of several ARBs of the Disputed Lot, the Court deems it necessary to clarify that this Decision should not be interpreted to grant Dalit authority to encroach upon any portion of the Disputed Lot beyond the 30,000-square meter portion granted in his favor, consistent with the boundaries set forth in CLOA No. T-2165.<sup>72</sup>

The Decision and Writ of Execution issued in Civil Case No. 3361-AF cannot defeat Dalit's rights arising from CLOA No. T-2165.

A perusal of the records shows that in addition to the present case, the Balagtas family also filed before the Regional Trial Court of Cabanatuan City (RTC) a Complaint for Specific Performance with TRO, Writ of Preliminary Injunction and/or Damages against Metrobank on November 20, 1998, docketed as Civil Case No. 3361-AF<sup>73</sup>. As correctly observed by Justice Perlas-Bernabe, this complaint led to the issuance of a Decision<sup>74</sup> dated October 24, 2001 directing the reinstatement of the Balagtas family's TCT, thus:

WHEREFORE, judgment is hereby rendered ORDERING:

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2. The NULLITY of the AUCTION SALE of the [Disputed Lot], including the Certificate of Sale and other documents arising therefrom, including TCT No. T-96104, and the Register of Deeds of Cabanatuan City is ordered to cancel [Metrobank's] TCT No. T-96104 and to restore [the Balagtas family's] TCT No. T-82410;  $x \propto x^{75}$  (Emphasis supplied)

The foregoing Decision appears to have then been made subject of a Writ of Execution issued by the RTC years later, or on April 26, 2012, upon

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<sup>&</sup>lt;sup>70</sup> Department of Agrarian Reform v. Cuenca, id. at 211.

Lebrudo v. Loyola, 660 Phil. 456, 462 (2011) [Second Division, Per J. Carpio]. See also RA 6657, Sec. 24. On the terms of payment and conditions on transferability of awarded lands, see RA 6657, Secs. 26 and 27.

<sup>&</sup>lt;sup>72</sup> Rollo, pp. 178-181.

<sup>&</sup>lt;sup>73</sup> Also stated as Civil Case No. 3361 in some parts of the records.

<sup>&</sup>lt;sup>74</sup> Id. at 540-550. Penned by Judge Ubaldino A. Lacurom.

<sup>&</sup>lt;sup>75</sup> Id. at 550.

motion of the Balagtas family.<sup>76</sup> Said motion thus appears to be an attempt on the part of the Balagtas family to surreptitiously reinstate TCT No. T-82410 and defeat Dalit's right of possession. However, this attempt fails.

It bears to stress that the Decision subject of the Writ of Execution had been issued *prior* to: (i) the issuance of the NOC placing the Disputed Lot under the coverage of the CARP; and (ii) the consequent issuance of CLOAs covering the same. In other words, these events, having come after the Decision, had the effect of superseding the orders and directives made by the RTC in its Decision.<sup>77</sup>

In this regard, it cannot be gainsaid that the State recognizes the indefeasibility of CLOAs issued in accordance with applicable law.<sup>78</sup> Under DAR Administrative Order No. 07-14,<sup>79</sup> the cancellation of erroneously issued CLOAs may be allowed only in the manner and under the conditions prescribed thereunder. Until duly cancelled in accordance with the prescribed procedure, CLOAs issued by the DAR shall remain valid and subsisting and enjoy the same respect accorded to those issued through other modes of acquisition of title.

To recall, the Balagtas family's Petition for the Lifting of the Coverage of the Land Under the Agrarian Reform Program had already been denied with finality, as evidenced by the Certificate of Finality issued by the DAR Regional Director on December 6, 2012. Hence, the issuance of the Writ of Execution directing the enforcement of the RTC's superseded Decision cannot defeat CLOA No. T-2165 which, as explained, is already valid and subsisting by virtue of the denial with finality of the Balagtas family's petition.

In view of the foregoing, the Court deems it unnecessary to discuss the other issues raised in the Petition.

WHEREFORE, the Petition is GRANTED. The Decision and Resolution respectively dated October 26, 2011 and June 27, 2012 rendered by the Court of Appeals, Special Thirteenth Division and Former Special Thirteenth Division, respectively in CA-G.R. SP No. 104836 are **REVERSED and SET ASIDE**, in view of the issuance of Transfer Certificate of Title No. T-2165 (CLOA No. 00924230) in favor of petitioner Vivencio Dalit.

<sup>&</sup>lt;sup>76</sup> See Resolution dated April 26, 2012, penned by Presiding Judge Felizardo S. Montero, Jr., id. at 383-387; see also Manifestations and Motion for the Quashal/Lifting of the Writ of Execution Due to Supervening Events and Rulings Thereon of the Honorable Supreme Court, id. at 604-615.

<sup>&</sup>lt;sup>77</sup> On the effect of supervening events, see generally Roman Catholic Archbishop of Caceres v. Heirs of Manuel Abella, 512 Phil. 408 (2005) [Second Division, Per J. Austria Martinez] and Marquez v. Espejo, 643 Phil. 341 (2010) [First Division, Per J. Del Castillo].

<sup>&</sup>lt;sup>78</sup> DAR Administrative Order No. 03-09, RULES AND PROCEDURES GOVERNING THE CANCELLATION OF REGISTERED CERTIFICATES OF LAND OWNERSHIP AWARDS (CLOAS), EMANCIPATION PATENTS (EPS), AND OTHER TITLES ISSUED UNDER ANY AGRARIAN REFORM PROGRAM, October 15, 2009, Sec. 2(a).

<sup>&</sup>lt;sup>79</sup> 2014 RULES AND PROCEDURES GOVERNING THE CANCELLATION OF REGISTERED EMANCIPATION PATENTS (EPS), CERTIFICATES OF LAND OWNERSHIP AWARD (CLOAS), AND OTHER TITLES ISSUED UNDER THE AGRARIAN REFORM PROGRAM, September 15, 2014.

Decision

SO ORDERED.

ALFRE JAMIN S. CAGUIOA Associate Justice

WE CONCUR:

ANTONIO T. CARPIO Associate Justice Chairperson

Please see Concurring Opinion

ESTELA M. PERLAS-BERNABE Associate Justice

JØSE C. REÝÉS, JR. Associate Justice

ZÁRO-JAVIER Associate Justice

## ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

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ANTONIO T. CARPIO Associate Justice Chairperson, Second Division

# CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

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